



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region IX

Division of Medicaid & Children's Health Operations

90 Seventh Street, Suite 5-300 (5W)

San Francisco, CA 94103-6706

SEP 22 2011

Thomas J. Betlach, Director
Arizona Health Care Cost Containment System
801 East Jefferson Street
Phoenix, AZ 85034

Dear Mr. Betlach:

Enclosed is an approved copy of Arizona State Plan Amendment (SPA) No. 11-013. This SPA allows Arizona to document compliance with the Affordable Care Act (ACA) Section 2301. ACA Section 2301 requires States that recognize freestanding birth centers to provide coverage and separate payments for freestanding birth center facility services and services rendered by certain professionals providing services in freestanding birth centers.

The effective date of this SPA is March 23, 2010 as requested. Enclosed is the following approved State Plan page to be incorporated within your approved State Plan:


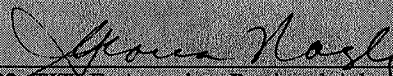
- Attachment 3.1-A page 11
- Attachment 4.19-B, page 5a

If you have any questions, please have your staff contact Cheryl Young at (415) 744-3598 or at Cheryl.Young@cms.hhs.gov.

Sincerely,

Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Jessica Schubel
HeeYoung Ansell

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 11-013	2. STATE Arizona
FOR: Centers for Medicare and Medicaid Services		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE March 23, 2010	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: ACA, Section 2301		7. FEDERAL BUDGET IMPACT: FY12: \$0 FY 13: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, page 11 Attachment 4.19-B, page 5a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B, page 5a	
10. SUBJECT OF AMENDMENT: Amends State Plan to provide documentation of compliance with the Affordable Care Act, Section 2301, which ensures Medicaid coverage and separate payments for freestanding birth center facility services and services rendered by certain professionals providing services in freestanding birth centers, to the extent the State licenses or otherwise recognizes these providers under State law.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Monica Coury 801 E. Jefferson, MD#4200 Phoenix, Arizona 85034	
13. TYPED NAME: Monica Coury			
14. TITLE: Assistant Director			
15. DATE SUBMITTED: June 30, 2011			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: June 30, 2011		18. DATE APPROVED: SEP 22 2011	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: March 23, 2010		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Gloria Nagle		22. TITLE: Associate Regional Administrator, Division of Medicaid & Children's Health Operations	
23. REMARKS: Box 7 – Pen & ink change to add FY13 \$0 amount per State request sent via email dated 9/14/11. Box 8-9: Pen & ink added per CMS requested via email dated 9/22/11.			

State/Territory ARIZONA

AMOUNT, DURATION, AND SCOPE OF MEDICAL
AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

Freestanding Birth Center Services

27. (i) Licensed or Otherwise State-Approved Freestanding Birth Centers

Provided: ☒ No limitations ☐ With limitations ☐ None licensed or approved

Please describe any limitations:

27. (ii) Licensed or Otherwise State-Recognized covered professionals providing services in the Freestanding Birth Center

Provided: ☒ No limitations ☐ With limitations (please describe below)

☐ Not Applicable (there are no licensed or State approved Freestanding Birth Centers)

Please describe any limitations:

Please check all that apply:

☐ (a) Practitioners furnishing mandatory services described in another benefit category and otherwise covered under the State plan (i.e., physicians and certified nurse midwives).

☐ (b) Other licensed practitioners furnishing prenatal, labor and delivery, or postpartum care in a freestanding birth center within the scope of practice under State law whose services are otherwise covered under 42 CFR 440.60 (e.g., lay midwives, certified professional midwives (CPMs), and any other type of licensed midwife). *

☐ (c) Other health care professionals licensed or otherwise recognized by the State to provide these birth attendant services (e.g., doulas, lactation consultant, etc.).*

*For (b) and (c) above, please list and identify below each type of professional who will be providing birth center services:

State: ARIZONA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE

- **Care and Services in Religious Non-Medical Health Care Institutions (RNHCI)**

Inpatient care and services are considered to be furnished by a RNHCI in its capacity as a hospital. Payment for such inpatient services may be no more than the Medicare cost reimbursement under the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982. Extended care services are services furnished by a RNHCI in its capacity as a skilled nursing facility. Payment for such extended care services shall be made in accordance with the AHCCCS fee-for-service payment rates specified in Attachment 4.19-D of the State Plan.

When AHCCCS reimburses for the following public and private provider services, payment is the lesser of the provider's charge or the capped fee amount established by AHCCCS. The Arizona Medicaid Fee Schedule was last updated as of April 1, 2011 and made effective for services rendered on or after that date. The current Arizona Medicaid Fee Schedule is located at <http://azahcccs.gov/commercial/ProviderBilling/rates/rates.aspx>.

For both private and public providers, AHCCCS reimburses the following services as described in Attachment 3.1-A Limitations, using this methodology:

- **Clinic Services, including Freestanding Ambulatory Surgery Centers and Freestanding Dialysis Centers**
- **Freestanding Birth Centers**
- **Rural Health Clinic Services**
- **Migrant Health Center, Community Health Center and Homeless Health Center Services**
- **Home Health Services, including Durable Medical Equipment, Supplies and Prosthetic Devices**
- **Behavioral Health Services**
- **Family Planning Services**
- **Physician Services**
- **Nurse-Midwife services**
- **Pediatric and Family Nurse Practitioner Services**